MARCH 12, 1996

AT&T NEWS

NEWSBRIEFS

BRAD ALLENBY, vice president of research for technology and environment and one of AT&T's most visible scientists, has accepted a two-year appointment at the Lawrence Livermore National Laboratory. He will apply AT&T's world-class approach to industrial ecology – the science of balancing the needs of industrial systems and the global ecosystem.

NEW MARKET OPPORTUNITIES call for new approaches and a different structure – and new names in AT&T's lexicon. (Story page 3.)

WIRELESS CUSTOMERS can sign up faster and get better answers because of an innovative expert system used by salespeople and customer representatives. (Story page 4.)

MEXICO represents a huge opportunity, and AT&T and its partners are strongly positioned to offer attractive service options. (Story page 5.)

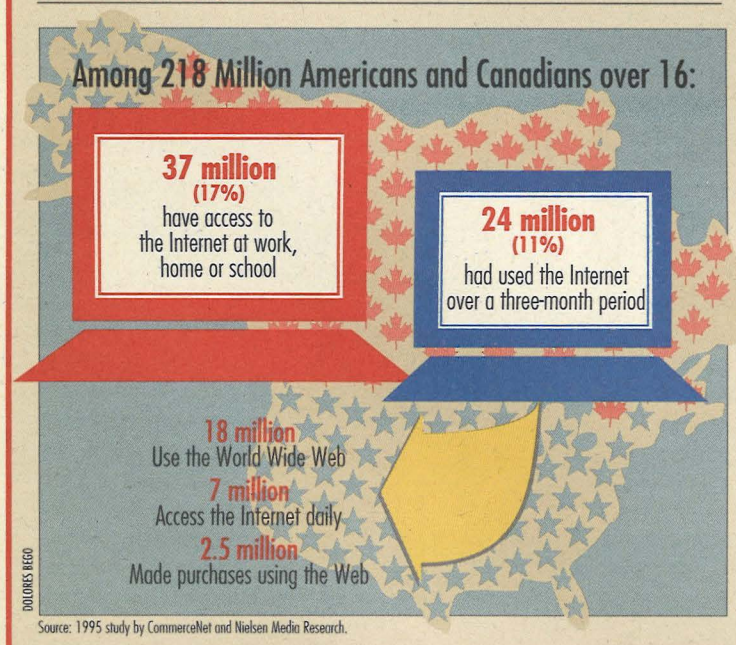
THE NEW 888 toll-free area code added 8 million potential numbers. AT&T hosted events to raise awareness. (Story page 5.)

ADVANCED NETWORKING SOLUTIONS address many common business needs with value-added services, customer care and expertise. *(Story page 6.)*

THE OLYMPIC MOVEMENT is connected by a first-ever AT&T Global Olympic Network that provides services ranging from basic long distance to high-speed data and image transmission. (Story page 7.)

MARKETPLACE

Statistics That Are Shaping AT&T's Future



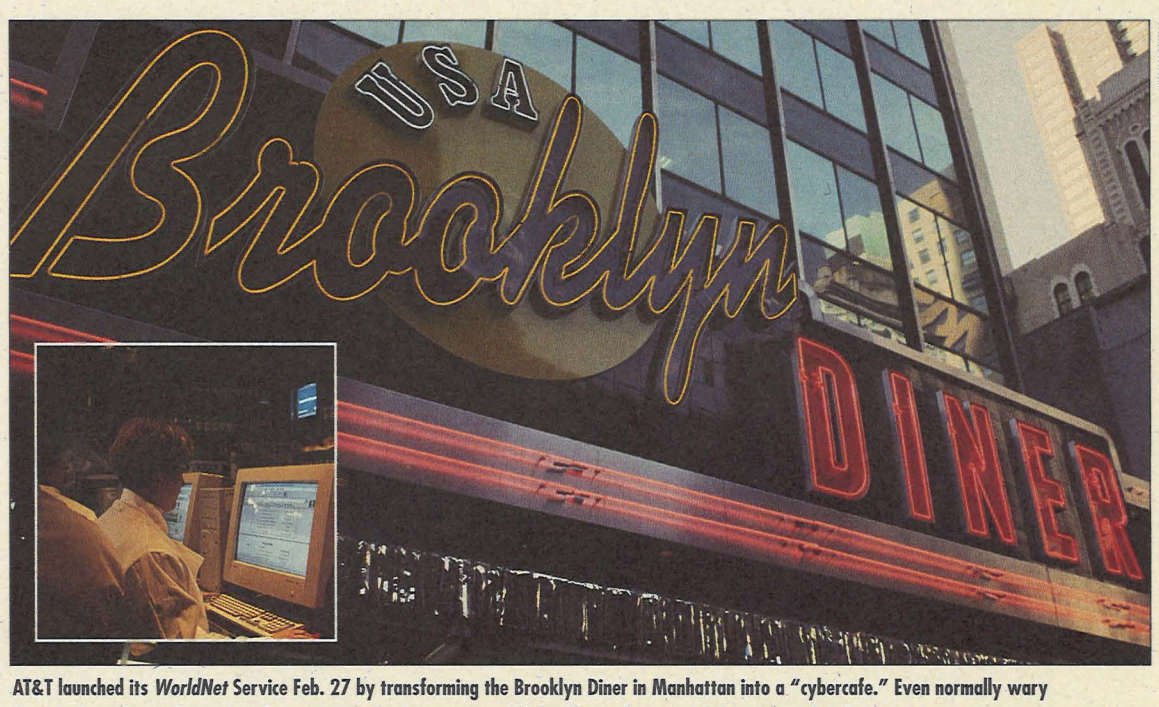
Source: 1995 study by CommerceNet and Nielsen Media Research.

INSIDENEWS

Four AT&T Women Tops in Computing 6

NCR Programmer Selected as Olympic Official 7

"Silence is Golden" ... For Now 8



WILLIAM RIVELLI

AT&T launched its *WorldNet* Service Feb. 27 by transforming the Brooklyn Diner in Manhattan into a "cybercafe." Even normally wary New Yorkers warmed to trying the service, as lunchwagons provided coffee and a taste of the Internet for the curious.

AT&T Makes Waves With Free Internet Access Offer

By Pat Russo

HEARING SHOUTS OF "Surf's up!" is expected on California beaches, not around the Brooklyn Diner in New York City. It wasn't the unseasonably warm weather causing the uproar – it was the announcement of AT&T *WorldNet* Service: low-cost, reliable and friendly Internet access for the company's 90 million long-distance customers.

The excitement continues. Within 48 hours of the announcement, the service's 800 number took 70,000 calls, as the news splashed across the nation's front pages and airwaves. The service, which becomes available nationwide on March 14, offers AT&T customers five free hours a month for the first year, with a charge of $2.50 for each additional hour, and no minimum subscription fee. AT&T customers can also get unlimited access for a flat monthly rate of $19.95. Competitive rates also are available for non-AT&T customers.

While widespread publicity makes it seem that everyone is already "surfing the net," research shows that only 6 percent of the U.S. homes with a computer and modem are using them to go on-line. AT&T plans to change that by offering innovative Internet access from AT&T WorldNet Service to its 80 million residential and 10 million business customers.

> **"AT&T WorldNet Service is the Internet the way you'd expect it from AT&T – safe, fun and easy to use."**
>
> — Tom Evslin

"The company that brought everyone the phone now will bring the Internet to everyone," said AT&T Chairman Bob Allen. "We believe the Internet will make communities more cohesive and businesses more competitive when it extends beyond the small percentage of people who use it today."

AT&T WorldNet Service not only brings the Internet as close as a dial tone, it offers solutions to the most common obstacles to Internet access. "AT&T WorldNet Service is the Internet the way you'd expect it from AT&T – safe, fun and easy to use," said Tom Evslin, vice president, AT&T Gateway Services. "We're so convinced that this is what our consumer customers have been waiting for that we're happy to have them try it free for a year."

The unique combination of features built into AT&T WorldNet Service aims at helping consumers and businesses over the number-one obstacle to Internet use: the inability to locate interesting or desired information. Whether they access the service from home, the office, or the road, AT&T WorldNet Service subscribers will find a friendly "front door to the Internet." The "At Home" section features sites

See AT&T OFFERS, page 7

Local Service One Step Closer

AT&T MET ITS SELF-IMPOSED DEADLINE OF MARCH 1 to take steps toward competing in local service by filing with regulators in all 50 states.

"We're creating a 'new' AT&T that customers can rely on to meet their needs for communications, on-line and home entertainment services," Chairman Bob Allen said. "Local service is a key element of the anytime, anywhere services we'll be bringing customers."

The company next will negotiate with local exchange companies to gain access to their monopoly facilities. AT&T could begin offering local service in some markets by late summer. (See related story page 3.) ■

AROUND AT&T

HAPPY LUNAR NEW YEAR

In celebration of Lunar New Year, AT&T, Bank of America (BofA) and Disneyland Resort are offering a savings promotion, including a chance to win a family reunion at Disneyland good for eight family members. The joint promotional offer is available to anyone who opens a Bank of America checking account by March 22 at participating BofA locations. New customers receive: an AT&T *Prepaid Calling Card* good for five minutes of international calling to Asia; three months of free BofA checking; and a $5 discount toward an initial order of newly designed checks. For more information, call 800-252-2181 (Cantonese/Mandarin/English) or 800-233-3939 (Vietnamese/English).

SPECIAL OFFER FROM WIRELESS SERVICES

AT&T Wireless Services' Data Division has a special offer for AT&T employees who want to access AT&T Mail wirelessly. The service allows users to send and receive messages from airports, customer sites or other places where analog lines are scarce or non-existent. The offer includes a choice of three pre-configured discount packages, each bundled with 30 days of technical support. Employees who are already customers of AT&T Wireless Services also will receive free cellular airtime as part of the package. The promotion, currently under way in the New York/New Jersey region until April 30, will be offered nationwide during the second quarter. To find out more, call 800-524-4863.

MODERN MILITARY COMMISSARIES

NCR Corp. won a $150 million contract from the Defense Information Technology Contracting office to modernize military commissaries worldwide. The four-year contract will provide high-tech store automation systems to 300 commissaries. The systems will include NCR's point-of-sale workstations with "smart" operator interfaces for fast, efficient checkout; scanners with integrated weight scales; advanced store automation software; and a full array of services, including training, integration and system maintenance. Also, NCR will integrate video security devices, back-office applications, check stands and electronic shelf labels.

AT&T SERVES HOSPITAL ASSOCIATION

AT&T will provide long-distance service and other network services worth nearly $200 million to the Voluntary Hospital Association (VHA) Inc. The four-year agreement, which renews an existing contract, will cover administrative long-distance, patient in-room, pay phone and a host of other telecommunications services for VHA members and their affiliated programs. VHA will offer these services through its comprehensive telephone network, the VHA TeleNetwork. More than 1,900 organizations – VHA health care organizations, physicians' offices and alternate care sites linked to them – use the VHA TeleNetwork. The contract will produce an additional $6 million in savings annually for these organizations.

PROGRAMS EXTENDED AT&T is renewing for existing customers its AT&T *True USA* Savings and AT&T *True Savings* discount programs, which were set to expire in the first quarter. The company also announced a small increase in basic interstate long-distance prices that will average about 40 cents a month for consumers. A small increase in business services prices will affect Software Defined Network, some 800 services, and the *ACCUNET* family of services.

Expanded Global Communications Center – AT&T's Global Communications Center (GCC) in Chinatown/North Beach, Calif., has been redesigned to better meet the technology and communications needs of the Asian-American community. The GCC provides long-distance services to consumers who do not have access to residential telephone service, and to international travelers and people whose preferred language is not English. In addition, the GCC now offers consumers access to the World Wide Web and the opportunity to take a series of educational programs jointly presented by AT&T and City College of San Francisco. Courses include technology for living, establishing and maintaining credit, starting a small business and the use of information technology, such as the Internet and other on-line services.

THE AT&T PREPAID CALLING CARD is on sale at AT&T Phone Center stores in a "buy one, get one free" special. The card can be purchased in denominations of 10, 15, 25, 50 and 100 units. The retail price of the card is $4.50, $6.75, $11.25, $22.50 and $45, respectively. Each unit is worth 45 cents, and one unit is equivalent to one minute of calling within the United States. International calls cost three to five units per minute, depending on the country called. This sale is only available at AT&T Phone Center stores while supplies last and until all stores are closed on April 15.

AT&T FILM APPEARANCES

Did you spy the AT&T cellular phone or the familiar AT&T logo in movies such as "Die Hard with a Vengeance," "Johnny Mnemonic," and "Under Siege"? That was no accident. AT&T equipment, services and signage appeared in 139 feature films in 1995, including 10 of the year's top-20 grossing films. AT&T also appeared in 100 television series and 25 TV movies/mini-series, on the Academy Awards, in the theater production, "Bye Bye Birdie," and on more than 40 television commercials. Lucent Technologies employees can expect to see the Innovation Ring with comparable frequency on-screen – gracing telephones, pagers, PCS devices, wristphones and other leading-edge products.

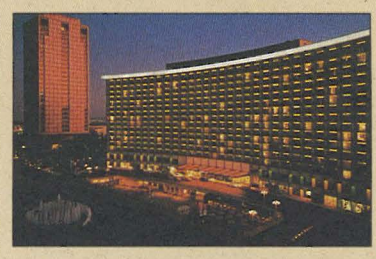
JULIE PACE

AT&T WIRELESS SERVICES EMPLOYEES HEAR PRESIDENT

Several employees of AT&T Wireless Services in Portland, Ore., were invited by Mayor Vera Katz to hear brief remarks by President Clinton following three days of severe flooding of the Willamette River in downtown Portland. On Feb. 14, the employees joined other volunteers and city and county workers on the banks of the Willamette to hear the President praise them for their valiant effort to contain the flooding. In addition to the volunteer work of its employees, AT&T Wireless loaned 350 cellular phones with free local and long-distance airtime and 150 pagers to the American Red Cross and other disaster relief agencies in the area.

BLOCKING EXPECTED

Beginning April 30, "0+" dialing with the AT&T Calling Card (both corporate and consumer cards) on intraLATA and local calls may be blocked by the local telephone companies. IntraLATA and local calls placed by AT&T card customers must be made using *1-800-CALL ATT* access. The blocking is triggered by the termination of Mutual Honoring Agreements between AT&T and the local-exchange companies, beginning with NYNEX on April 30 and continuing through a two-year period with the other carriers. AT&T will continue to honor calls placed on the AT&T network by local-exchange cardholders.



WESTIN GROWS WITH AT&T

Westin Hotels & Resorts plans to expand to the tune of a new hotel every month for the next five years. Through a services contract worth up to $56 million over the next three years, AT&T will help Westin achieve its aggressive growth strategy. The contract extends Westin's existing Software Defined Network (SDN) linking all Westin locations. In addition, customers can access Westin's reservation center through AT&T's Toll-Free 800 Service and can use AT&T's teleconferencing services and "O+" operator services for calls charged from hotels. AT&T's SDN service allows Westin employees who use calling cards to take advantage of features such as toll-fraud protection and remote network access. *Billing* for SDN and Toll-Free 800 Service is provided through AT&T Billing Edge Desktop Analysis Software, a PC software package that gives customers monthly billing detail and usage analysis tools on CD-ROM.

CMS LEADERS PROPOSE MANAGEMENT BUY OUT

Lucent Technologies and the leadership of its Custom Manufacturing Services (CMS) business took the first steps toward a management buy out (MBO) proposal that would enable CMS to be bought and operated as an independent company known as Kalos Technologies International. Under the proposed MBO, CMS President Carl Ashby would become president and chief executive officer of Kalos. The company would continue to provide contract manufacturing services within the electronics industry from its headquarters in Greensboro, N.C. Upon completion of the proposed sale, the CMS facility in Little Rock, Ark., will be closed, creating a surplus of approximately 280 positions. Affected employees will have full access to placement and career transition opportunities within AT&T and Lucent Technologies.

New Approach to Market With RSO, LSO Structure

BY PAUL BUSCH

"TARGET: GROWTH 2005" IS an aggressive strategy for meeting customer needs in a dynamic environment. So AT&T's services business is making bold changes in everything it does, including how it's organized.

The new organizational structure is designed to help AT&T understand customer needs better and deliver services faster than anyone else. But with the new structure come new organizations ... and new acronyms such as **MSO**, **LSO** and **RSO**. Acronyms can be confusing. But AT&T's success depends on the work of these groups, so it's important to understand what they're all about.

All three make it easier to focus on customers who share similar needs, interests or purchase criteria. Since the Market Segment Organization (MSO) has a unique set of challenges – creating bundled offers for key nationwide business segments – it will be profiled in an *AT&T News* feature in April.

Another national organization develops offers for consumers and small businesses. As the local portion of service bundles grows in importance, these customers' needs will be addressed on a geographic basis through the Regional Segment Organization (RSO). The Local Services Organization (LSO) provides operational support for the other two. Here's a closer look:

The **RSO** is a customer-facing organization focused on consumers and small business. Geographically configured with a president for each of seven regions, these teams have responsibility for customer management, financial accountability, marketing strategy and external affairs.

The **LSO** is responsible for the development and delivery of AT&T's local products. As local operations rather than marketing teams, the LSOs work with RSOs and MSOs to ensure that the company is able to offer its customers competitive local services as elements of bundled offers. LSOs also seek a favorable regulatory environment in each region. The LSO regional structure parallels that of the RSOs.

Shaun Gilmore, RSO President - Northeast States, has been deeply involved in recent reorganization activities.

According to Gilmore, the RSOs will be fully staffed and operational by the end of the first quarter. "RSO resources will be focused on understanding the unique nature of local markets and customer needs," he said, "not replicating functions currently performed in New Jersey."

Gilmore explains that historically, AT&T's approach to long distance customers was national. "There was little differentiation between a customer in Los Angeles and a customer in New York City," he said. "Now, with our marketing focus on bundled offers of local, long distance, wireless, on-line services and entertainment, regional differences in customer needs will proliferate."

The RSO will market within seven geographic segments (see chart below.) RSO offices will be located in major cities throughout the seven regions.

"The Regional Segment Organization structure will help enhance and deepen our understanding of the needs of customers in specific geographic areas," said Joe Nacchio, executive vice president, Consumer and Small Business Division.

There are three prime responsibilities of the RSO:

1. **Customer Management and Financial Accountability,** which includes responsibility for revenue, market share, EVA and profitability.

2. **Marketing Responsibility** – customizing products and services to fit local customer needs.

3. **Representing AT&T externally**. The RSO will take the lead in integrating strategy, business plans, and external affairs for AT&T within each region.

The RSO organizations are taking shape, and five regional presidents have been named. Gilmore emphasized that RSO teams are consciously being sized on "the lean side," and local demand for AT&T services will dictate the staffing of positions. "We fully expect dramatic growth of the business, and staffing will follow that growth, not anticipate it," Gilmore said.

Harry Bennett, vice president and general manager, Local Services Division, is responsible for all aspects of our local service products. This includes responsibility for the seven LSO regions, as well as the local services activities of Local Infrastructure and Access Management. And he coordinates on local service-related issues with Law and Government Affairs, Human Resources, Public Relations and the CFO organizations. He has a clear sense of priorities.

"The two biggest activities for us are filing for certification, which we have done in all 50 states, and negotiating with the local exchange companies (LECs), competitive access providers (CAPs) and others for local service," he said. Additional responsibilities include complying with state requirements so the RSO (and MSOs) can "bundle" local service into offerings for their customers.

Customers can expect greater choice in selection of communications services and products.

Said Shaun Gilmore: "The current image of AT&T as a national organization with limited local presence is a mistaken one. AT&T has employees in most, if not all, states who are actively supporting their local communities. As we organize more regionally, we want to ensure that AT&T's local presence is highlighted and focused."

Bennett agreed, but cautioned that the new image will not be one of AT&T "out-localizing the locals" (read RBOCs). He adds, "we will aggressively compete locally; we'll just do it smarter." ■

Next month: a profile of the MSO.

RSO/LSO FIELD EXECUTIVE PRESENCE

REGION	LSO	RSO
NORTHEAST STATES	David Jefferson	Shaun Gilmore
SOUTHERN STATES	Jim Carroll	Ray Robinson
SOUTHWEST STATES	Rian Wren	Ray Robinson
ATLANTIC STATES	Bill Stake	Jack McMaster
PACIFIC STATES	Lois Hedg-peth	Mike Antieri
CENTRAL STATES	Bonnie Manzi	Bill Ketchum
WESTERN STATES	Mary Beth Vitale	Bill Ketchum

AT&T FILES IN 50 STATES

Law Opens Up Local Markets

BY PAUL BUSCH

"TODAY, with a stroke of a pen, our laws will catch up with our future." With that, President Clinton on February 8 signed into law the "Telecommunications Act of 1996" at a ceremony in the Library of Congress.

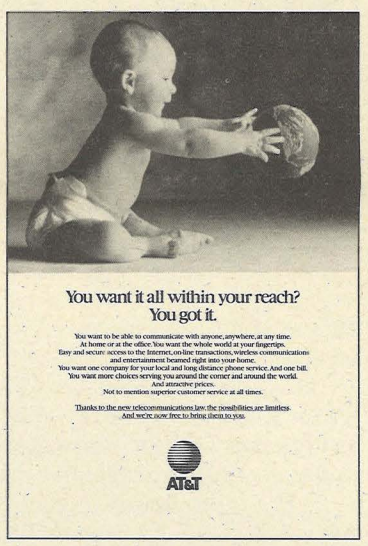
The new law rewrites the rules that Congress established for the industry in 1934. It also replaces the Modification of Final Judgment (MFJ) – the 1984 judicial decree that brought divestiture to the telecommunications industry and placed certain restrictions on AT&T and the Bell companies.

The President signed the bill one week after it passed both houses of Congress by huge margins. That action ended years of frustrated effort to write new legislation for an industry that has been a disturbing dichotomy of bruising competition and protected monopoly.

That's about to change. The entire industry is now on track to be one day as competitive as the long distance market is today, thanks to important safeguards inserted by Congress in Conference Committee, where House and Senate bills were combined into the final version (S. 652).

Law Safeguards Competition

The first of those safeguards empowers the Federal Communications Commission (FCC) to ensure that the Bells fully implement a checklist of items designed to encourage competition in their local markets before they apply to offer long distance. This competitive checklist is essentially the "nine points of light" that AT&T has emphasized as necessary to include in any omnibus telecom package that aimed to create real competition.


You want it all within your reach?
You got it.
You want to be able to communicate with anyone, anywhere, at any time.
At home or at the office. You want the whole world at your fingertips.
Easy and secure access to the Internet, on-line transactions, wireless communications and entertainment beamed right into your home.
You want one company for your local and long distance phone service. And one bill.
You want more choices serving you around the corner and around the world.
And attractive prices.
Not to mention superior customer service at all times.
Thanks to the new telecommunications law the possibilities are limitless.
And we're now free to bring them to you.
AT&T

AT&T ran this ad in major daily papers around the country the day after new law was signed.

> **"We will offer businesses and consumers bundles of services ..."**
>
> — Bob Allen

Second, the new law gives the FCC the authority to decide whether the Bells, after implementing the checklist, shall be permitted to enter long distance.

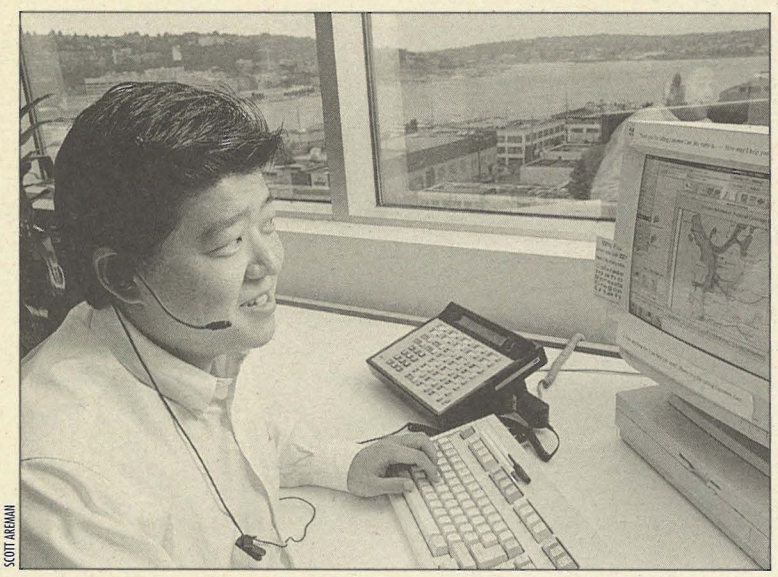
A third safeguard strengthens the role of the Justice Department as consultant to the FCC.

Finally, language in the new bill requires a Bell company to provide evidence that it faces competition from at least one local exchange carrier that provides service to business and residential customers predominantly over its own network facilities – not just reselling Bell company services – before that Bell company may enter long distance.

AT&T is delighted that the $90 billion local service market will finally be opened to real competition. The company will engage a multi-faceted strategy to enter local markets. The fastest route would be purchasing available access capacity from Local Exchange Carriers (LECs) at wholesale rates, as required by the new law. A second means would be through contracts with Competitive Access Providers (CAPs). Wireless and cable networks are also being considered for local entry. Finally, in some locations, AT&T will build its own network facilities.

Allen pointed out that many large business customers are already connected directly to AT&T digital switching centers. With a few technological modifications, AT&T could begin offering local service to them almost immediately.

The Chairman summed up AT&T's plan of action: "We will offer businesses and consumers bundles of services that combine local and long distance, wireless, on-line services, even television. As much or as little as the customer wants." ■



SCOTT ARCHAM

Customer Representative David Joo can use the Axys system to browse rate plans or view electronic duplicates of bills customers call to discuss.

AT&T Wireless Uses Expert System To Provide Fast Service

BY ED LOPEZ AND
ELIZABETH COLMANT ESTES

AT AT&T WIRELESS SERvices, selling phones is the first step in signing up new cellular customers. Yet the overall process goes beyond a phone sale.

"You don't sell cellular phones the way you sell other merchandise," said Tim Travaille, AT&T Wireless Services chief information officer.

"Customer involvement is high," he added. "You have to get names and addresses, run credit checks, activate phones, explain service coverage areas and how the phones work."

Then, there is follow-up assistance for customers.

To streamline the process of serving wireless customers, AT&T Wireless Services is deploying a single expert system called Axys Customer Activation/Customer Care, a great leap in information technology.

Axys (pronounced ak-sis) represents AT&T's continuing effort to provide superior customer care as it enters new markets, faces new competitors, and strives to tighten bonds with long-time customers.

Strong customer relations are particularly important in the booming wireless market. In the United States, nearly 28,000 new customers sign up each day.

"The Axys system is our cash register," said J.R. Powers, national director of deployment and operations. "Our job is to keep it ringing."

Axys, soon to be on the desktops of 4,000 salespeople and customer representatives, is changing the way that AT&T Wireless connects with customers.

IMPROVING customer care

Axys evolved from a wish list for a way to make all systems and information easily accessible to customer-service employees.

"The core idea that drives Axys is to put all the expertise in the system so that our people can focus on customers," said Valerie Costanzo, project deployment manager for the information services team in the Pacific Northwest-Rocky Mountain region.

All this takes place at dealer sites like Circuit City and Magnolia Hi-Fi. Because Axys automates the credit check, sets up customer accounts and activates cellular service – in real time – people who sign up for AT&T Wireless service usually have dial tone in about 15 minutes. Before Axys, dealers filled out forms, faxed them in, and customers walked away with phones that would be active some time within the next two to 24 hours.

The Axys workstation is easy to use and provides direct access to remote systems such as external mainframes that verify credit and initiate customer billing.

Even if a remote system such as the credit-check mainframe fails, Axys can activate a customer's phone and remind customer representatives to follow up.

"We give the customer the benefit of the doubt," said Travaille.

The cellular universe is complicated. Will customers have service when they travel to another state? What will calls cost in other areas? What if callers have problems with their phones? For AT&T Wireless customers, the answers are a free call away.

Hundreds of customer representatives in call centers across the country rely on the Axys customer care application to provide quick and accurate service.

With a click of a mouse button, customer representatives can view service areas and help people from Spokane, Wash., to Tallahassee, Fla.

It's easy to adjust a customer's account. Axys changes the bill, tracks the history of the account, and records the name of the representative who made the adjustment.

"Training customer reps took five weeks before Axys," said Todd Kutches, project designer for Axys. "We've slotted about eight hours per rep for version 3.0."

According to Carolee Henkens, customer care manager for western Washington, about 50 percent of cellular customers call in every month – and that's way too high. "Axys will help us reduce the percentage of customers who need assistance to about 11 percent," Henkens said.

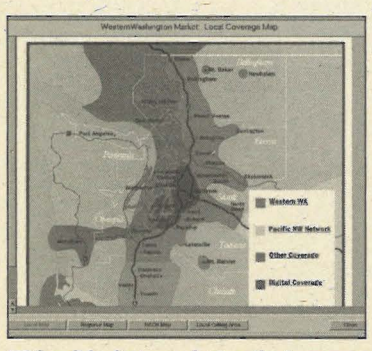
Axys provides a systematic method to analyze and pinpoint recurring customer problems so that appropriate changes in processes can be made.

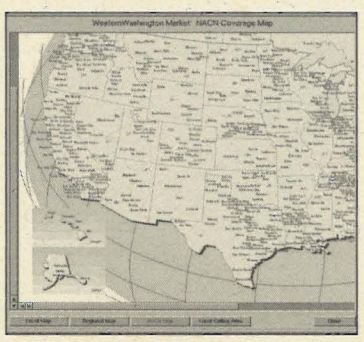
One Axys screen prompts customer representatives to record specific customer feedback. Before Axys, such information was only anecdotal. Now, there is solid data on which to base decisions to improve customer satisfaction.

The Axys system will be deployed to all AT&T Wireless Services regions. Historically, regional businesses were very independent, but the cellular universe is changing.

"Customer needs are different today," said Kathie Lehner, leader of the Axys business design team. "Our customers expect coherent pricing and customer service nationwide."

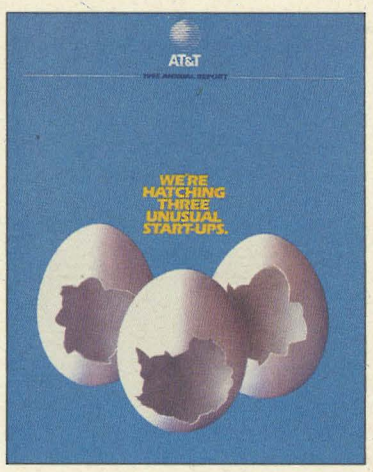
With Axys, AT&T Wireless Services delivers what customers want. And that keeps the cash register ringing. ■





With a click of a mouse button, the Axys system allows customer representatives to view service areas and help people from Spokane, Wash., to Tallahassee, Fla.

Restructuring Focus Of Annual Report



LATE LAST MONTH, AT&T started mailing its 1995 annual report and proxy statement to more than three million shareowners and all AT&T people.

The annual report is a handy reference on the breakup of AT&T, containing summaries of the key assets, financial information, operations, customers and markets for the companies that will be formed.

The proxy statement also notes that the company's 111th shareowner meeting is on April 17 at the James L. Knight International Center in the Convention Center in Miami, Fla., where AT&T has 138,000 registered owners.

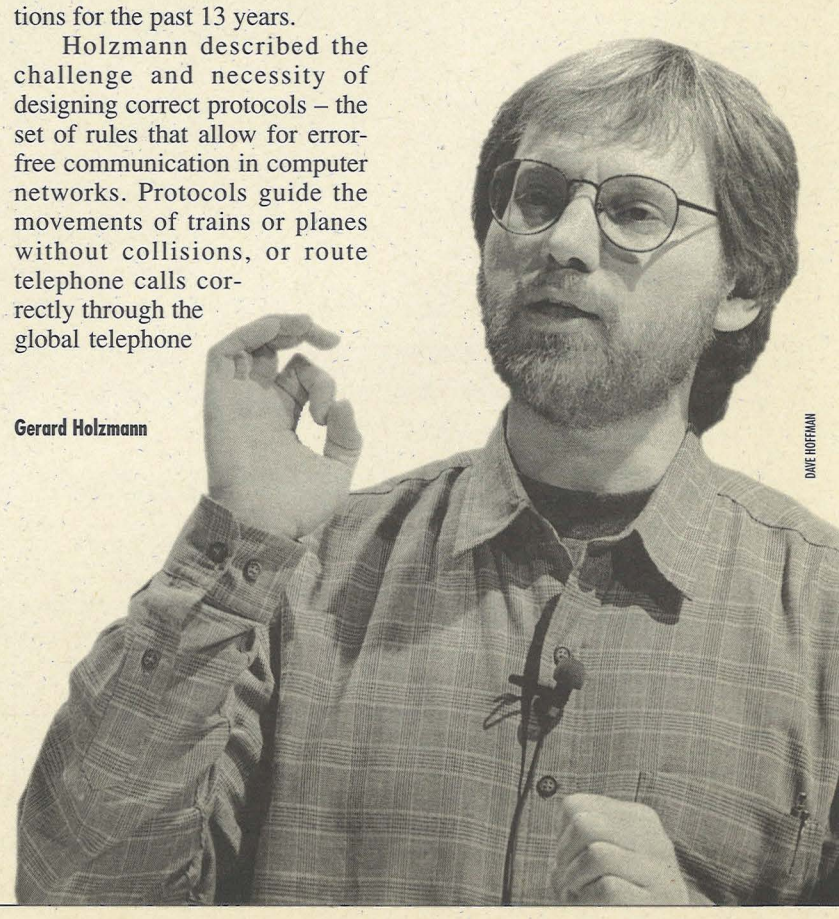
In his letter to shareowners, Chairman Bob Allen says that AT&T is moving quickly to put the restructuring plan into effect and explains that the actions are motivated by the creation of long-term value, not short-term surges in value.

The 3.6 million annual reports were on press 24 hours a day for 10 days, using 1,200 tons of recycled paper shipped on 67 tractor trailers. ■

Bell Labs Club Sponsors World of Science Seminars

"TRAINS, PLANES AND Protocol Design," was the tantalizing title of a talk given last month by Bell Laboratories' member of technical staff Gerard Holzmann at Murray Hill, N.J. Holzmann's audience included more than 120 high school students, teachers, employees and retirees. The Murray Hill Science Education Club has sponsored free "World of Science" lecture-demonstrations for the past 13 years.

Holzmann described the challenge and necessity of designing correct protocols – the set of rules that allow for error-free communication in computer networks. Protocols guide the movements of trains or planes without collisions, or route telephone calls correctly through the global telephone network. Other Bell Laboratories speakers who participated in this year's series are: S. Kicha Ganapathy, "Virtual Reality: Past, Present and Future"; Amy Muller, "Cyber-struck: The Futures of Telecommunications"; Cynthia Volkert, "How to Build a Computer Chip"; and Louis Lanzerotti, "Galileo Probe Measurements of Jupiter's Atmosphere." ■

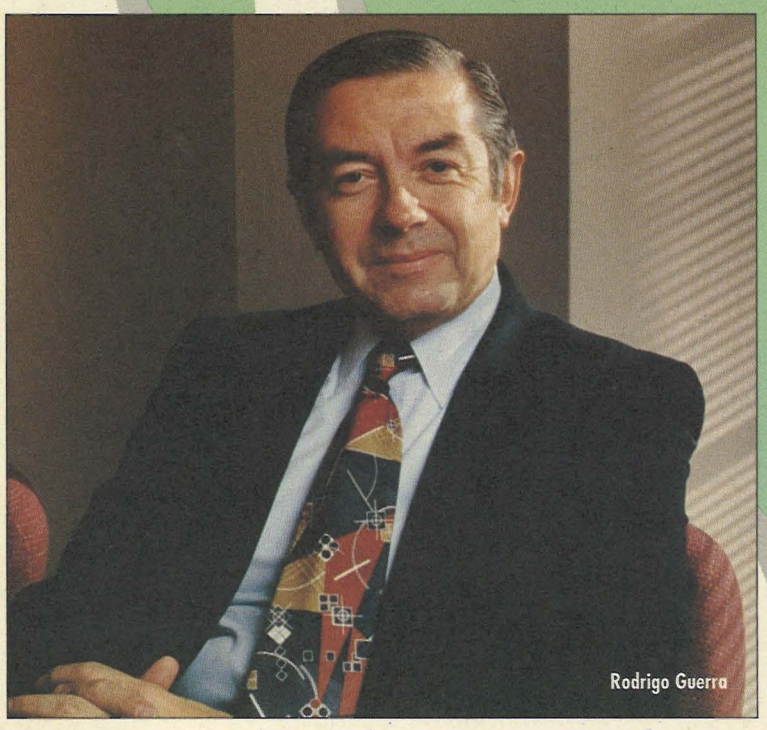


Gerard Holzmann

DAVE HOFFMAN

AT&T, Partners to Unleash Mexico's Large Potential

EILEEN ESCARDA



Rodrigo Guerra

By Anne Wainscott

IT IS THE 12TH LARGEST economy in the world, one of the United States' top three trading partners and second only to Canada in generating long-distance traffic onto AT&T's network.

"When you add up all those things, Mexico represents a huge opportunity for our company," said Rodrigo Guerra, new president, AT&T Mexico and former CEO, IBM Mexico. Guerra is positioning AT&T for a major push when Mexico's telecom market opens up next January.

Gearing up, AT&T has formed a joint venture with Alfa, a leading conglomerate. Named Alestra, the joint venture was awarded a license to provide long-distance service last December. Guerra explained that aligning with a strong partner is key for AT&T's success in the Mexican market. Alfa offers strong management, a broad presence in Mexico's business community, and experience in international joint ventures.

Led by former AT&T Mexico President Jorge Escalona, Alestra initially will employ about 1,000 people from both companies. That number will grow to 3,000 within the next three to four years.

Good Combination

"We're bringing what we do best – the technology, the quality of our products and services, our experience and skills," Guerra said. "I think the combination is going to be very good."

With 8,000 employees, AT&T Mexico last year generated 25 percent of the Caribbean/Latin America region's revenues. The country is second in size to Brazil, and has a population of 90 million.

Guerra is restructuring AT&T Mexico into a "smaller, more flexible organization" based upon the region model outlined by Pier Carlo Falotti, executive vice president, AT&T International Operations. Guerra explained that AT&T's plans for the country go beyond traditional telephony services.

"Mexican customers are looking for higher quality local and long-distance services. At the same time, they want more sophisticated services higher up the value chain – such as wireless, consulting and on-line services," said Guerra. "Our role is to identify these opportunities and move ahead as quickly as possible, either directly or through partnerships and alliances."

Guerra said AT&T plans to target the cellular market next by bidding on PCS licenses later this year. A study by Pyramid Research, Inc., shows that cellular and PCS subscribers region-wide spent $4 billion in 1995 and are projected to spend $19 billion by the year 2000. In addition, AT&T's data services business, which includes e-mail and enhanced fax services, has seen a 100 percent increase in revenues over the past year, and an even stronger performance is projected this year.

Mario Baldizon, America's regional manager for Easy Commerce Services, said that the top 12 cities in Mexico now have a direct high-speed link to AT&T's network. Through alliance partner, Ekonom, AT&T has won and fully implemented voice and data contracts from the State Department of Mexico valued at more than $2.5 million annually.

"Customers are extremely excited by the prospect of AT&T being a major player in Mexico's market. They tell me they want a single telecom provider for all their needs; they're tired of dealing with multiple companies," he said. "If we go in with the right competitive tools, we can take the market by the horns."

> **"Customers are extremely excited by the prospect of AT&T being a major player."**
>
> — Mario Baldizon

Difficult Challenges

Mexico faces many challenges, including recovery from the political and economic crisis that culminated in the peso's devaluation in December 1994. Also, the telephone company of Mexico, Teléfonos de Mexico, or Telmex, has struggled with high demand for services and an underdeveloped communications infrastructure. With a phone line density of only 9.25 per 100 inhabitants, the average waiting period to get a residential phone installed in Mexico is more than two months at a cost of $485, according to the International Telecommunications Union.

However, AT&T traffic between the United States and Mexico has been unaffected by Mexico's economic upheaval. The North American Free Trade Agreement (NAFTA) is giving AT&T additional opportunities to expand its customer base.

"Before NAFTA, there were fewer multinationals in Mexico; now we're seeing a lot moving in," said Andres Trevino, Ekonom account manager for Sears, which recently selected AT&T and Ekonom for an Electronic Data Interchange (EDI) contract valued at more than $1 million.

As AT&T Mexico prepares to enter Mexico's market next January, it does so with the knowledge that the market offers unlimited potential for those companies that position themselves well. By the end of the decade, Mexico's telecom market is expected to reach $15 billion – more than double its current size. With key alliances in place and a well-developed strategy to execute, AT&T will be ready. ■

AT&T Promotes New 888 Toll-Free Area Code with Toll-Free Day, Contest

By Anne Wainscott

THE FAMILIAR *1-800-CALL ATT* refrain on television commercials soon may include an additional phrase, *1-888-CALL ATT*.

On March 1, the toll-free world grew by 8 million numbers with the implementation of the new toll-free area code, 888. That's great news for AT&T, its customers, and a public accustomed to the convenience of toll-free calling. Each day 800 numbers already account for nearly 40 percent of the inbound and outbound calls on AT&T's network. The company handled 20 billion toll-free calls in 1995.

"We're excited about the deployment of a new toll-free service. We've experienced tremendous growth in this area over the last few years," said John Cushman, AT&T's brand manager for toll-free services. He noted that 7 million 800 numbers are in use today out of a possible 7.8 million. "Toll-free service is an excellent conduit out to the marketplace," he said.

AT&T is sponsoring two events in March to educate the public on 888. AT&T held Toll-Free Day on March 13 during which commuters received free tokens at bridges, tunnels and rapid transit locations in New York, Chicago and San Francisco. Employees passed out the free items while radio stations covered the events live. AT&T also is conducting a "Really Big Contest." Anyone, excluding AT&T employees and their families, can call 888-888-IWIN between March 13 and March 31 and guess how many 888 calls will be carried on the AT&T network the first eight days of April. The 88 callers who come closest to the total each will receive $888.

Cushman said AT&T's 888 awareness campaign began last fall with roadshows to the top 20 metropolitan areas in the United States. The company hired two consumer advocates to extol the benefits of 888 at local press conferences in various cities. Cushman said the effort paid off, with public awareness increasing from 1 percent to 19 percent.

Toll-free calling dates back to 1965, when AT&T trialed toll-free 800 service in Alabama as an extension of WATS (Wide Area Telephone Service). It was officially offered as a service two years later. Calling volume exploded after the introduction of Enhanced 800 Service in 1982. This service added computerized databases that allowed businesses to use and advertise a single 800 number anywhere in the nation, and have calls received in different locations.

Several companies, including 1-800 Flowers Inc., rely on vanity numbers – those that spell out the name of a product or company – for brand recognition.

These companies are finding out early what kind of stake they have in retaining their vanity numbers with the new 888 service. At customers' requests, the Federal Communications Commission (FCC) has set aside 375,000 of the most popular toll-free numbers as new "888" numbers. The FCC is considering several options, including continuing to suppress the numbers from other companies, giving the businesses the right of first refusal for the 888 versions of their numbers and auctioning the numbers to the highest bidder as a way to help close Congress' budget gap.

AT&T strongly supports each business's right of first refusal for the 888 versions of their numbers.

The company issued a statement that said, "We are concerned that the auctioning of 888 vanity numbers will force businesses to bid against each other to protect their own brands. Under such circumstances, larger companies will have an automatic advantage over the smaller ones. This unfairness will reverse the equalizing power of toll-free numbers, which historically have given small companies a chance to grow quickly using just an excellent product and a memorable number." ■

Packaged Solutions Target Common Business Processes

By Collins Yearwood

WHY BUY THE LUMBER when you can just as easily buy the entire deck?

This was the underlying philosophy behind AT&T Advanced Networking Solutions (ANS), a series of off-the-shelf services which, when put together, provide ready-to-use applications for business customers of all sizes.

Trialed with customers last year, AT&T ANS was "born" Jan. 1, while AT&T was in the midst of reinventing itself. Now, the family of business solutions is helping other businesses profitably transform themselves.

AT&T Adds Value

"What creates value in customers' minds is our ability to help them reinvent their businesses," said Kathy Marsico, director, horizontal markets, AT&T Global Services. "Where the value is coming from is the combined power of our network, our market and industry expertise, and our ability to create end-to-end turnkey solutions.

"We're building solutions for both horizontal and vertical markets, which include financial services, retail, travel, manufacturing, direct sales, direct marketing, call centers and customer service," Marsico explained.

Some of the ANS services include:

• Order Express – a network service that uses interactive voice response technology to automate such routine phone transactions as information requests, subscription renewals and bill payments.

• Advertising Advantage – an announcement and interactive voice capability to support mass communication and marketing. The interactive capability, for example, can support sweepstakes entries and surveys, while capturing caller data.

• Answer Advantage – minimizes the number of lost customer opportunities while enhancing customer service. This service collects information from toll-free calls that would otherwise receive busy signals or go unanswered, and delivers call-back details.

"We're building solutions for both horizontal and vertical markets."

— Kathy Marsico

• Authorized Access – a screening service that enables subscribers to control caller access to warranty, registration, technical support or information distribution operations. It also automatically collects and processes information to register, create or renew accounts.

Other services address order taking, package tracking and alternative workplace solutions.

Full-Service Support Team

Advanced Network Solutions represents not just value-added services, but an approach emphasizing service and expertise. The ANS sales force is a full-service customer support team, with the salesperson as the principal customer contact. The sales teams include a technical representative, a solutions delivery person responsible for getting a customer's customers familiar with using the service, a local marketing person and a value pricer, who prices the service based on the customer's need.

Satisfied Customer

One happy customer is Outrigger Hotels & Resorts, a Hawaii-based hotel chain that is using a packaged solution to automate reservations from nearly 30,000 travel agents, including reservations made through a World Wide Web server. Agents and travelers use multimedia PCs to review pictures of hotels and rooms, see maps of surrounding areas, examine lists of local restaurants, and even read notices of special events occurring during a visitor's stay. Outrigger's configuration includes access via a toll-free number, so there's no charge for the time agents, and prospects spend searching and viewing information.

The ANS team has a three-pronged approach to the marketplace. Marsico is responsible for horizontal markets. Jeffrey Feldman is director, vertical markets, and Ashby "Buddy" Riley is director, sales channel and distribution strategy.

"Our approach is based on thorough market research to get a sense of what customers want," Marsico said. "Then we build those desired features into packaged network solutions. We've made critical choices for customers so they get the benefit of our technology and expertise." ■

BILL BARLEY

James Hawley (left), Pat Belle and Larry Quinn configure Medco's WorldMark server.

Customers Invest in NCR's Data-Warehousing Capability

By Anne Wainscott

BRUCE DAHLGREN, AN NCR sales team leader in the northeast United States, held his breath as his team closed three orders for *WorldMark* systems and services valued at $14 million ... in only three weeks.

Each time, the team defeated IBM in its own backyard, capitalizing on NCR's leadership position in "data warehousing," the capability of computers to mine for detailed customer data.

The customers – Medco/Merck Managed Care, the country's leading pharmacy benefits manager, and insurance giants General Accident and U.S. Fidelity & Guarantee – each purchased a *WorldMark* 5100 system. WorldMark 5100 is the only system that enables customers to grow from a single multiprocessor system to a massively parallel one without losing their investments in existing systems.

"These orders are a tribute to the quality of the product. We have the best technology and best services capability today," said Dahlgren, noting that the orders combined with other incoming business will put his team $7 million over plan for the first quarter of 1996. Almost $200 million in WorldMark 5100 orders have been placed companywide since the server family's launch last September.

NCR plans to use the Northeast Area team – 13 sales professionals and seven technical pre-sale specialists – for a pilot program selling WorldMark and data-warehousing solutions.

Medco/Merck will use its WorldMark 5100 system and NCR's consulting services to lower clients' health-care spending. The company processes more than 140 million prescription claims annually for companies such as AT&T. By year end, Medco's "Information Warehouse" is expected to house 1.2 trillion pieces of information, which can be mined using NCR's powerful application software.

A key component of this application software comes from NCR's Human Interface Technology Center (HITC) in Atlanta, which provided consulting services and technologies.

"Our technology is geared to develop an expert model that runs reports explaining possible causes for increases or changes in pharmacy benefit costs. It puts the information in more readable form with text, graphs and tables," said Ellen Boerger, Medco/Merck project manager from the HITC. "This application is what Medco's customers actually see. If the tool isn't easy to use, it will hurt Medco's strategy to be the best at providing information for its customers." ■

Four AT&T Women Tops in Computing

By Anne Wainscott

WHAT DO THREE AT&T vice presidents and an NCR assistant vice president have in common? All four – Jan Scites, Edith Mok, Judy Page and Jeanne Baccash – have been named among the Top 100 Women in Computing for 1996 by the McGraw-Hill Companies.

The award recipients were nominated by their peers based on their technical background, management experience and accomplishments, both inside and outside their organizations.

AT&T's winners certainly qualify for the honor. Although their early backgrounds vary, they all have risen to the top of their technology fields.

Scites, vice president, AT&T Business Customer Care, is responsible for the company's business customer service concerns. Scites said she has always been fascinated by the role technology can play in solving problems.

Information Technology (IT) leaders, Scites said, need an understanding of both business and technology. "The key is understanding the business and its problems, then showing others how technology can solve these problems and even be a competitive advantage."

MICHAEL GAFFNEY

(Left to right) Jan Scites, Jeanne Baccash and Judy Page inside AT&T's Network Operations Center in Bedminster, N.J. Edith Mok (Inset).

Edith Mok, who is based in Hong Kong, agreed. "IT is an enabler of the business and should be taken as a driver to support strategic and operational changes," she said.

Mok, chief information officer, AT&T's Asia/Pacific region, will lead NCR's Worldwide Information Systems organization in the region starting in April.

"Career success in IT comes from achieving career milestones through a combination of individual and team efforts," said Mok. "Most successful women and men tend to be able to see the woods from the trees – understanding adequate details, associating important pieces of information and building the macro view for action planning."

Judy Page, vice president-chief information, investment & technology officer, Network Computing Services, joined AT&T in 1977 as a member of the Bell Labs technical staff. Page credited her commitment to life-long learning for her success.

Jeanne Baccash, assistant vice president, NCR's Computer Systems Group, began her AT&T career at Bell Labs in 1973 and represented AT&T in the creation of Unix International and in the transfer of the UNIX® trademark to X/Open.

"I've always believed and acted on the principle that people are the highest priority," Baccash said. "I believe focusing on people and their needs results in happy, productive employees, delighted customers and a successful and profitable business." ■

BRYAN BARR

Brad Whitehair officiates a long-jump competition at Ohio State University.

NCR Programmer Selected as Official at '96 Olympic Games

By Anne Wainscott

AS A HIGH SCHOOL sprinter and hurdler in southeastern Ohio, Brad Whitehair knew firsthand the thrill of excelling on the track field. His team was the unchallenged league champion for three years, with Whitehair named most valuable runner his senior year.

The 34-year-old NCR employee has continued his love of the sport by officiating: first at high school track-and-field events, and later at junior national competitions and NCAA divisional meets, averaging 50 to 60 meets a year.

Whitehair soon will bring his knowledge and love of track and field to the world's premier sporting event, as a long-jump official at the 1996 Centennial Olympic Games. He was among 174 officials to be selected from more than 764 applicants nationwide.

"I was above cloud nine. I couldn't sit still the rest of the day," Whitehair said, recalling his feelings when he heard he was selected last December. "It's been a goal of mine for years to be a track official at the Games."

Whitehair joined NCR in 1984 as a programmer in Cambridge, Ohio. He transferred to NCR's Dayton, Ohio, headquarters in 1988. He currently is team leader for the Equipment Acquisition and Redeployment group in NCR's Worldwide Information Systems division.

As an official at major U.S. indoor and outdoor track championships, Whitehair has judged the likes of Mike Powell, the world record-holder in the long jump, and sprinter and long jumper Carl Lewis. He also met Olympic gold medalist Edwin Moses two years ago during a celebration honoring Moses' induction into the Track & Field Hall of Fame.

"It takes a tremendous amount of training to perform at that level; these athletes are faced with injury at every turn," Whitehair said. "To watch them when everything is working right – to see them hit the board with a lot of explosion and fly through the air – is beautiful."

His expertise includes the long jump and triple jump. He's made a science out of "working the pit," ensuring that the consistency of the sand is just right after each long jump and measuring the length of each jump down to a centimeter.

"My job is to make sure the competition is fair to everyone, that nobody is given an unfair advantage," said Whitehair.

That's a noble goal for this Olympic-bound official as he prepares to fulfill his dream this summer in Atlanta. ■

In Search of Olympic Torch Runners

If you have been selected by your local United Way to carry the torch during the 1996 Olympic Torch Relay, *AT&T News* wants to know about it. Please send your name, telephone number and location to the AT&T News e-mail address (attmail!talktous) or call 908-221-4466.

AT&T's Global Olympic Network Keeps Organizers Connected

By Anne Wainscott

TECHNOLOGY WILL TAKE center stage at this year's Centennial Olympic Games, and one star attraction will be AT&T's Global Olympic Network, the first official Olympic telecommunications network. The International Olympic Committee (IOC) also named AT&T its official telecommunications consultant and international long-distance supplier for the '96 Games.

"The IOC is a lean operation with a global reach," said Thierry Sprunger, the organization's Management and Operations director. "Thanks to the AT&T Global Olympic Network, the telecommunications needs of the IOC and the Olympic movement are managed in an efficient, cost-effective way."

The Atlanta Committee for the Olympic Games (ACOG), the U.S. Olympic Committee and several sports governing bodies already are using the network for customized communications services, including long-distance calling and sophisticated high-speed data communications.

The network also provides organizers with one-stop provisioning, which includes everything from making arrangements with interconnect companies, to deciding how the network is installed, to determining how users are billed and how calls are routed. In essence, it provides centralized management for planners' communications needs before and during the Games.

Global Reach

The network could serve the entire Olympic family, including the IOC in Geneva, four organizing committees on three continents, more than 40 international sports federations and 197 national Olympic committees around the world.

This represents quite a contrast to earlier Olympic Games, which had no unified network. International private lines often were patched together through negotiations with providers, and advanced services were expensive.

"This network allows subscribers to put voice, cellular and ISDN calls on a single bill," said Judy Quick, program director, Telecommunications and Document Services for the ACOG. "We'll get one bill instead of 25 or 30."

In addition, network data can provide valuable insight for future Olympic planners. With AT&T's Billing Edge Desktop Analysis Software, Atlanta's organizers can capture on CD-ROM all aspects of network configuration and usage. Then, planners for future Olympic Games can use the software to review calling patterns, generate full-color graphs and maps, and run "what-if" queries. For example, a query could pinpoint the busiest times on the network, taking into consideration the host city's time zone. This scenario would help organizers better prepare the network to handle heavy-traffic periods.

"This network allows subscribers to put voice, cellular and ISDN calls on a single bill."

— Judy Quick

Customized Services

The network already is providing outgoing long distance, incoming toll-free calling, teleconferencing and switched digital service for data and image transmission, all customized for ACOG and the Olympic family. During the Games, other users, including accredited international media, can take advantage of the service.

"Like any multinational enterprise, the Olympic Committees need to be able to work quickly and easily together across oceans and time zones," said Glenn Starr, director, Global Services, AT&T Business Markets division.

Applications available on the network include AT&T's Enhanced Fax Service, which can broadcast faxes simultaneously to domestic and international locations. ACOG has used the service to send news releases to more than 1,600 media outlets, to coordinate plans for the 1996 Olympic Torch Relay across the United States and to sell commemorative license plates in 159 Georgia counties.

Another application will let journalists use AT&T's Global Switched Digital Service for high-speed international transmission of competition photos from the main press center in Atlanta. Plans are also underway for multimedia desktop applications using AT&T's *WorldWorx* Service that will let Games planners in widely scattered locations collaborate on drawings, maps and schedules. ■

AT&T Offers Internet Access

continued from page 1

about recreation, family, education and other interests. The "At Work" section points to business news, investment data, and other work-related issues.

Even casual computer users can quickly locate information using the powerful search engine provided by Verity Corp., the leading designer of Internet search and retrieval software. Before users invest time in accessing one of more than 80,000 sites on the World Wide Web, they can preview it using an on-line directory.

AT&T WorldNet Service customers who charge the service to their AT&T Universal Card receive financial liability protection for any fraudulent use of the card for purchases made on the Internet. Parents concerned about security can block access to portions of the Internet they think are unsuitable.

World-class customer care from a 24-hour, toll-free hotline helps users with another common concern: getting started. AT&T WorldNet Service comes with the preconfigured software used to "browse" the Internet. While Netscape Inc. – the leading provider of browsers and Internet software – provides this AT&T-branded browser, the service supports all popular brands, and accommodates modem speeds up to 28.8 kilobytes per second.

"With AT&T WorldNet Service, the Internet can become as attractive for individuals as the telephone, as useful for business as 800 service," said Evslin. "Our fraud protection and parental controls can make the Internet as open for business as the store down the street, and as suitable for families as their local library." ■

Employee Subscriptions

Employees may subscribe to AT&T *WorldNet* Service through a shared folder on AT&T Mail. Just activate the Online option and type "subscribe to !internetteam:worldnet." A return message will provide instructions for registering.

AT&T Wireless managers display high spirits, unflagging energy and highly prized construction skills as they turn a dusty lot in San Antonio, Texas, into a child's dream.

AT&T Wireless is Building a Tradition

By Paul Busch

IT WAS BILLED AS A corporate retreat. Steven Hooper, president and CEO, AT&T Wireless Services gathered a team of 125 AT&T managers from throughout the country in San Antonio, Texas, in January. Mission: to transform a dusty lot into a dream playground for the Mission Road Development Center. They arrived at the construction site early one morning, wearing white AT&T caps and T-shirts emblazoned with "Mission: Possible" across the backs.

Armed with all the required tools, the workers took on their assignments with enthusiasm and good humor, and a skill level that, perhaps, surprised even themselves. They laid sod; planted approximately 500 trees and shrubs; and installed swings, slides, sandboxes, crawl-through tubes, and wooden climbing structures. One of the swings had special attachments to accommodate wheelchairs.

Mission Road is a private non-profit organization. Executive Director Bob Murray described the 37,000-square-foot project as "an inter-generational playground that is 80 percent wheelchair accessible. It's fabulous, especially for the kids," he said.

At the end of the second and final day, the smiles on the faces of the proud builders were as bright as those of the kids who began streaming into the park – even before it was completed. Clearly, the managers felt a sense of accomplishment.

The retreat is a tradition at AT&T Wireless that began in the aftermath of Hurricane Andrew. Employees of what was then McCaw Cellular Communications, Inc. joined with Habitat for Humanity in building houses in Homestead, Fla. The Mission Road project was selected "because of the impact we could have on kids' lives," said Bob Ratliffe, senior vice president, Public Relations, AT&T Wireless Services.

Murray is thrilled that AT&T Wireless has continued the tradition: "I can't say enough for these AT&T managers. They're a great group of men and women, and they built a marvelous facility here." ■

AT&T Extends Market Lead in Frame Relay

By Collins Yearwood

FRAME RELAY IS THE fastest-growing segment of the telecommunications market and Business Communications Services is making sure its own AT&T *InterSpan* Frame Relay Service is leading the pack.

Frame relay is a data communications service that enables customers to send high volumes of data in bursts of data packets known as frames. It is favored by businesses like banks, insurance companies and other institutions that have a need for real-time updates of customer information.

In recent months, several customers have come on board or expanded their service. Others have signed up for Virtual Gateway, a new service enabling switched access to frame relay.

The Prudential Insurance Company of America is trialing internetworking between AT&T's frame relay and Asynchronous Transfer Mode (ATM) Service. Prudential is using the new interworking feature to link the two high-speed data services and share data, images and expert resource information in a real-time environment between multiple frame relay and ATM locations. ATM is a communications protocol and switching technology designed to support multiple applications including data, video and multimedia on a single network. Currently an AT&T frame relay customer, Prudential is using both services for file transfers, video conferencing and video playback.

Apollo Travel Services will use AT&T's frame relay service to help distribute Apollo computer reservation system data to its 15,000 travel agencies throughout the United States. Together with Apollo's internally developed Internet Protocol Concentrator, AT&T's service will dramatically enhance the company's ability to manage its networks.

People have begun to notice that AT&T is the market leader when it comes to frame relay. *Data Communications* magazine recently honored AT&T as the best provider of data communications services, including frame relay. The magazine also projected the frame relay market to be worth $739 million in 1995.

AT&T's frame relay service is available nationwide and in 25 countries, with plans for 17 additional countries throughout 1996. ■

"Silence is Golden" ... For Now

By John Brooks

WHEN A *USA TODAY* REporter recently called AT&T to request an interview for a story about leading-edge innovation at Bell Laboratories, he got a short answer and no information. A few days later, *Business Week* called with a similar request. The reporter got the same response: "Sorry, we can't talk."

"These were wonderful opportunities for us to promote our new company," said Kathy Fitzgerald, senior vice president, Public Relations and Investor Relations, Lucent Technologies. "But as a company that's intending to go public, we have to observe special precautions."

The securities laws are designed to ensure that companies registering securities for public sale communicate information about those securities only through an offering document, or prospectus, that includes specified information for investors.

For a company that has often prided itself on its willingness to share information inside and outside company corridors, the wall of silence – in compliance with those rules – falls nothing short of culture shock for many employees.

Lucent Technologies
Bell Labs Innovations

"All of Wall Street wants to get a sense of how we feel about our business," said Rich Rawson, general counsel and senior vice president, Lucent Technologies. The only way that kind of information can be relayed is through the "road show," a series of meetings with prospective investors that takes place before the company's securities are priced for the Initial Public Offering (IPO).

Lucent Technologies must comply with these securities laws because it intends to make an IPO of securities and has filed a registration statement with the Securities and Exchange Commission (SEC). Next, the SEC will review and comment on the filing. After satisfactory amendments have been filed, the SEC will declare the registration statement effective, and the IPO will follow shortly after that. Once the registration statement becomes effective, the communications rules will remain in force for another 25 days.

Until that time, however, employees should exercise good judgment and special care when asked to share information, whether it's in a marketing proposal, a speech, an interview or a product announcement.

"If there's ever any doubt," added Rawson, "there's nothing wrong with saying to another person, 'I can't comment on that at this time,' whether that person is a friend, a reporter, an industry analyst or even another employee." Employees should check with Lucent Technologies public relations and law department staffs when communication involves sensitive information.

The SEC rules exist to ensure the fair and efficient operation of the marketplace. "They benefit investors, and those investors include our own employees," noted Rawson. "Taking the time and effort to comply with these communications rules is the best way to ensure that our IPO stays on track." ■

AT&T NEWS

Volume 3, Issue 3
March 12, 1996

Published by the Public Relations & Employee Communications Division.

Editor:
Jean Hurt
(attmail!jeanhurt)

Design and Production Manager:
Jackie McCormack
(908-204-2319)

Production Assistant and Distribution Manager:
Marilyn Choy
(attmail!mchoy)
(908-204-2323)

Writers:
Paul Busch
(attmail!paulbusch)
Ed Lopez
(attmail!edlopez)
Pat Russo
(attmail!pgrusso)
Anne Wainscott
(attmail!awainscott)
Collins Yearwood
(attmail!cyearwood)

Design:
M.J.Ng Design
New York City

To contact ***AT&T News:***
call *908-221-4466*

send electronic mail to:
attmail!talktous

use fax number:
908-204-2118

or mail to:
AT&T News
175 Morristown Road
Basking Ridge, NJ 07920

All letters will be treated as having been submitted for publication. The editors reserve the right to edit letters for length and clarity. Opinions expressed in letters to AT&T News *do not necessarily reflect the views of AT&T's management.*

AT&T service marks and trademarks are published in italics in this publication.

Printed on recycled paper.

The full text of stories appearing in AT&T News *is available electronically by subscribing to the attmail shared folder* !talktous:news.